

New Challenges of Farmland Conservation

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The challenge is twofold: to save topsoil and prime farmland. Allowing our best lands to be paved over would result in using highly erodible land to meet future production needs. Allowing that marginal land to be ruined by erosion would someday require drastic measures to save every last acre of our prime farmland.

1985 Farm Bill

The conservation reserve and sod-buster provisions of the 1985 farm bill are aimed at preventing erosion on our worst farmland. This landmark effort is based on several important principles that also apply to meeting the challenge of conserving our best land: (1) target conservation efforts for maximum efficiency; (2) eliminate subsidies that work at cross purposes with conservation goals; and (3) offer incentives that encourage conservation.

Targeting Urban Fringe Farmland

The Conservation Reserve Program focuses on that fraction of U.S. cropland that is most highly erodible. Cropland soil loss will almost be

halved by removal of only 6 percent of our most erosive cropland from production.

The American Farmland Trust (AFT) has begun to pinpoint our most productive farmland faced with the greatest risk of conversion to nonagricultural use. In a new study of U.S. farmland that relates its productivity to geography, AFT found that at least a third of all agricultural production, measured by gross sales, occurs on land close to the most rapidly growing metropolitan areas.

High Productivity. The most recent agriculture and population census data indicates that almost 30 percent of U.S. agricultural production occurs on only 14 percent of farmland located in the 372 counties inside or adjacent to Standard Metropolitan Statistical Areas, and among the top 20 percent in agricultural sales in their respective States. The productivity (sales per acre) of this urban fringe farmland is 2 1/2 times that of all other U.S. farmland, partly because fruit and vegetable production was concentrated near cities, but mostly because the cities began as farm market centers that grew up in the midst of this most fertile land.

Population Threat. Our dependence



Lettuce is harvested near Salinas, California. About a third of U.S. agricultural production (measured by gross sales) comes from the 14 percent of farmland near metropolitan areas. (USDA, 1080X1324-28A)

on farming in the shadow of suburbia is a compelling reason to conserve farmland on the urban fringe when population trends are considered. Between 1970 and 1980, the population of the 372 agricultural-metropolitan counties grew 20 percent, twice as fast on the average as all other counties, accounting for one-third of the total increase in U.S. population. A continuation of this trend could result in the displacement of one third of U.S. farm production unless steps are taken to assure that growth is accommodated on less productive land.

“Production Reserves” Needed.

The Nation should designate a long-term “production reserve” composed

of its best urban fringe farmland, similar to the conservation reserve established for our worst erodible land. All government levels should cooperate to find mechanisms to keep this land in agricultural production, applying other lessons of the 1985 farm bill.

Eliminating Subsidies

The sodbuster provision denies Federal farm payments to producers who break new highly erodible ground. This same principle applied to keep our prime urban fringe farmland in agriculture would result in closer scrutiny of government subsidies in the development of our “production reserve” land.

These subsidies range from direct expenditures on highways and sewers to income and property tax systems that pass along part of the cost of new development to the public. Adjusting or eliminating them, so that public expenditures and public conservation policy are consistent, is just as necessary to the establishment of a "production reserve" as it is to the conservation reserve. Whether it is subsidized sodbusting or farmland conversion, the cost of conservation is increased.

Every level of government now provides subsidies and should cooperate in their adjustment. A good place for the Federal Government to start would be further strengthening of the Farmland Protection Policy Act. It asks agencies to find alternatives to government-sponsored or -funded construction projects that consume our best farmland; they ought to be compelled to do so. So should State agencies, following the example of Illinois, whose farmland policy act has saved taxpayers millions of dollars as well as thousands of acres of farmland. Local governments would do well to take a close look at the comparative costs of sprawl and compact development, and with state cooperation adjust property taxes accordingly. Then, if we really want to tackle subsidies, phasing out Federal income tax deductions for mortgage interest paid on new houses built on prime farmland in the "production reserve" might be considered.

Offering Incentives

Eliminating subsidies to indiscriminate

development would save taxpayers money and help take the pressure off critical urban fringe farmland. But it would not by itself create a "production reserve." For that, positive incentives are needed, just as they were for the establishment of the conservation reserve. In the case of the conservation reserve, the incentive is an annual payment for idling highly erodible land, compensation for lost production. For our "production reserve," it must be compensation for lost urban development opportunity.

State Programs. A half dozen States now have programs to provide this kind of compensation, giving farmers a conservation alternative to selling off the family farm. Many more States and localities could justify the expense of doing so, if they factored in the economic and environmental benefits of agriculture—especially on the fringe of urban areas where most voters live—and if they took advantage of the opportunity to recoup costs by eliminating inappropriate development subsidies.

Fair Compensation. The incentive systems developed by States should be based on a few key principles: Compensation should be fair to landowners and affordable to the public; neither windfalls nor wipeouts should be tolerated. Every landowner who would have a realistic chance of selling farmland to a developer should have a shot at selling "development rights" to the public instead. (An alternative would be to increase the current tax deduction allowed for voluntary donations of these rights,

enabling farmers to recover their equity over time.) But the price should not be artificially inflated by subsidies—the public should not be asked to pay for conservation twice. And just as there is competition in the land market, so too should there be competition among local landowners for the opportunity to sell “development rights”; Maryland has used such a system to conserve more farmland at a lower price than any other State.

Finally, the public investment in the “production reserve” should be protected by appropriate local regulations, designed to prevent conflicts

between agricultural and nonfarm land uses by keeping residential density low within the reserve.

The Ultimate Challenge

For all who care about the land that sustains us, the ultimate challenge is to make agriculture more profitable to the farmer—who now receives less than 30 cents of the consumer’s food dollar. The more farmers earn from cultivating the land, the more they will be able to resist subdividing it. Our “production reserve,” the best land next to the biggest markets, will offer them the opportunity to do that.